
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1374

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Upthegrove, Sump, Hunt, Appleton, Chase, Kenney, Simpson, Roberts, Dickerson, Conway and Springer; by request of Governor Gregoire)

READ FIRST TIME 3/5/07.

- AN ACT Relating to the Puget Sound partnership; amending RCW 1 2 90.71.010, 90.71.060, 90.71.100, 43.17.010, 43.17.020, 42.17.2401, 77.85.090, 70.220.040, 43.155.070, 70.146.070, 89.08.520, 70.105D.070, 3 79A.15.040, 90.88.005, 90.88.020, 90.88.030, 90.88.901, 90.88.902, 4 90.48.260, 79A.60.520, 79A.60.510, 79.105.500, 77.60.130, 70.146.070, 5 70.118.090, 43.21J.030, 43.21J.040, and 28B.30.632; reenacting and 6 7 amending RCW 79.105.150 and 77.85.130; adding new sections to chapter 8 90.71 RCW; adding a new section to chapter 41.06 RCW; adding a new 9 section to chapter 43.155 RCW; adding a new section to chapter 70.146 10 RCW; adding a new section to chapter 89.08 RCW; adding a new section to chapter 70.105D RCW; adding a new section to chapter 79.105 RCW; adding 11 12 a new section to chapter 79A.15 RCW; adding a new section to chapter 77.85 RCW; adding a new section to chapter 70.118 RCW; recodifying RCW 13 90.71.100; decodifying RCW 90.71.902 and 90.71.903; and repealing RCW 14 15 90.71.005, 90.71.015, 90.71.020, 90.71.030, 90.71.040, 90.71.050, 90.71.070, 90.71.080, 90.71.900, and 90.71.901. 16
- 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds that all levels of government need to work together in partnership with the public,

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- 1 tribes, nongovernmental organizations, and the private sector to ensure
- 2 that Puget Sound will be a thriving natural system, with clean marine
- 3 and freshwaters, healthy and abundant native species, natural
- 4 shorelines and places for public enjoyment, and a vibrant economy that
- 5 prospers in productive harmony with a healthy Puget Sound.
- 6 **Sec. 2.** RCW 90.71.010 and 1996 c 138 s 2 are each amended to read 7 as follows:
- 8 Unless the context clearly requires otherwise, the definitions in 9 this section apply throughout this chapter.
- 10 (1) (("Action team" means the Puget Sound water quality action team.
 - (2) "Chair" means the chair of the action team.
- 13 (3) "Council" means the Puget Sound council created in RCW 14 90.71.030.
- 15 (4) "Puget Sound management plan" means the 1994 Puget Sound water 16 quality management plan as it exists June 30, 1996, and as subsequently 17 amended by the action team.
 - (5) "Support staff" means the staff to the action team.
- 19 (6) "Work plan" means the work plan and budget developed by the
 20 action team.)) "Action agenda" means the product developed pursuant to
 21 section 13 of this act, and includes the Puget Sound management plan as
 22 it exists on the effective date of this section and as it is modified
 23 in the future by the council.
- 24 (2) "Action agenda goals" means those goals established in section 25 13 of this act.
 - (3) "Benchmarks" means scientific standards that can be measured.
- 27 (4) "Board" means the coordination board.
- 28 (5) "Committee" means the Puget Sound science advisory committee.
- 29 (6) "Council" means the leadership council.
- 30 (7) "Environmental indicator" means a physical, biological, or 31 chemical measurement, statistic, or value that provides a proximate 32 gauge, or evidence of, the state or condition of Puget Sound.
- 33 (8) "Food web" means a succession of organisms in an ecological
 34 community that constitutes a continuation of food energy from one
 35 organism to another as each organism consumes a lower member and, in
 36 turn, is preyed upon by a higher member.

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- 1 (9) "Nearshore" means the areas, including shorelines and 2 estuaries, beginning at the crest of the coastal bluffs and extending 3 seaward through the marine photic zone and to the head of the tide in 4 coastal rivers and streams.
 - (10) "Partnership" means the Puget Sound partnership.
- 6 (11) "Puget Sound" means Puget Sound and related inland marine
 7 waterways, including all salt waters of the state of Washington inside
 8 the international boundary line between Washington and British
 9 Columbia, and lying east of the junction of the Pacific Ocean and the
 10 Strait of Juan de Fuca, and the rivers and streams draining to Puget
 11 Sound as mapped by water resource inventory areas 1 through 19 in WAC
 12 173-500-040 as it exists on the effective date of this section.
- 13 <u>(12) "Puget Sound partner" means an entity identified as a Puget</u> 14 Sound partner under section 17 of this act.
 - (13) "Salmon recovery areas" means the fourteen salmon recovery areas defined in the Puget Sound salmon recovery plan adopted by the national oceanic and atmospheric administration national marine fisheries service January 19, 2007.
 - (14) "Watershed group" means:

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- 20 (a) Salmon recovery planning groups;
 - (b) Water resource inventory area groups;
- (c) Marine resources committees;
- 23 (d) Regional fisheries enhancement groups; and
- (e) Other governmental or quasi-governmental entities that address physical, chemical, biological, ecological, or other environmentally related activities in a hydrologically defined area.
- 20 related activities in a hydrologically actined area.
- NEW SECTION. Sec. 3. PUGET SOUND PARTNERSHIP. An independent agency of state government, to be known as the Puget Sound partnership, is created to oversee the restoration of the environmental health of Puget Sound by 2020. The agency shall consist of a leadership council, an executive director, a coordination board, and a Puget Sound science advisory committee.
- 33 <u>NEW SECTION.</u> **Sec. 4.** LEADERSHIP COUNCIL--STRUCTURE--PROCEDURES.
- 34 (1)(a) The partnership shall be led by a leadership council composed of
- 35 seven members appointed by the governor, with the advice and consent of

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- the senate, with the commissioner of public lands and the chair of the committee serving as additional nonvoting ex officio members.
 - (b) The governor shall designate one of the seven members to serve as chair and a vice-chair shall be selected annually by the membership of the council.
 - (2) The initial members shall be appointed as follows:
- 7 (a) Three of the initial members shall be appointed for a term of 8 two years;
- 9 (b) Two of the initial members shall be appointed for a term of three years; and
- 11 (c) Two of the initial members shall be appointed for a term of 12 four years.
- 13 (3) The initial members' successors shall be appointed for terms of 14 four years each, except that any person chosen to fill a vacancy shall 15 be appointed only for the unexpired term of the member whom he or she 16 succeeds.
 - (4) Members of the council are eligible for reappointment.
- 18 (5) Any member of the council may be removed by the governor for 19 cause.
- 20 (6) Members whose terms expire shall continue to serve until 21 reappointed or replaced by a new member.
- 22 (7) A majority of the council constitutes a quorum for the 23 transaction of business.
- 24 (8) Council decisions and actions require majority vote approval of 25 all council members.
- NEW SECTION. Sec. 5. LEADERSHIP COUNCIL--POWERS AND DUTIES. (1)
 The leadership council created in section 4 of this act shall have the
 power and duty to:
- 29 (a) Provide overall leadership and have overall responsibility for 30 the functions of the partnership, including setting strategic 31 priorities and interim benchmarks and making final decisions for the 32 partnership;
- 33 (b) Develop, approve, revise, and oversee implementation and 34 adaptive management of the action agenda developed under section 13 of 35 this act;
- 36 (c) Allocate all funds appropriated to the partnership from the 37 Puget Sound recovery account created in section 27 of this act;

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- 1 (d) Adopt procedural rules, in accordance with chapter 34.05 RCW, 2 as necessary to direct the internal management of the council;
- 3 (e) Apply accountability measures consistent with the assessment in 4 RCW 43.17.390;

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- (f) Provide the state of the Sound report to the governor and the legislature, as provided in section 20 of this act;
- 7 (g) Appoint members of the board, as provided in section 7 of this 8 act;
- 9 (h) Appoint members of the committee, as provided in section 9 of 10 this act;
- 11 (i) Create subcommittees, advisory committees, and nonprofit 12 corporations, as appropriate to assist the council;
 - (j) Enter into, amend, and terminate contracts with individuals, corporations, or research institutions to effectuate the purposes of this chapter;
 - (k) Make grants to governmental and nongovernmental entities to effectuate the purposes of this chapter;
 - (1) Receive such gifts, grants, and endowments, in trust or otherwise, for the use and benefit of the partnership to effectuate the purposes of this chapter. The partnership may expend the same or any income therefrom according to the terms of the gifts, grants, and endowments;
- 23 (m) Promote extensive public awareness, education, and 24 participation in Puget Sound protection and recovery;
 - (n) Receive and expend funding from other public agencies;
 - (o) Facilitate accountability and reporting obligations;
 - (p) Develop and implement a process to review and address citizen concerns regarding action agenda development;
 - (q) Serve as the regional recovery organization for purposes of chapter 77.85 RCW for Puget Sound salmon recovery; and
 - (r) Conduct periodic reviews of its governmental and organizational effectiveness, identification of barriers to implementation, and recommend changes in authorizing statutes to the governor and the legislature to improve its effectiveness in carrying out the duties and responsibilities of this chapter.
 - (2) The council may delegate functions to the chair and to the executive director, however the council may not delegate its decisional authority regarding developing or amending the action agenda.

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- 1 (3) The council shall work closely with existing organizations and 2 all levels of government to ensure that the action agenda and its 3 implementation are scientifically sound, efficient, and achieve 4 necessary results to accomplish recovery of Puget Sound to health by 5 2020.
 - (4) The council shall support, engage, and foster watershed groups to enable them to address local concerns.
 - (5) When working with federally recognized Indian tribes to develop and implement the action agenda, the council shall conform to the procedures and standards required in a government-to-governmental relationship with tribes under the 1989 Centennial Accord between the state of Washington and the sovereign tribal governments in the state of Washington.
 - (6) The council shall consult with the committee to determine environmental indicators, benchmarks, and action agenda implementation.
- (7) The council may, on advice of the committee or by its own decision, consult the Washington academy of sciences created in chapter 70.220 RCW to secure independent scientific review of significant technical and scientific issues related to its work.
- NEW SECTION. Sec. 6. EXECUTIVE DIRECTOR--POWERS AND DUTIES. (1)
 The partnership shall be administered by an executive director who
 serves as a communication link between all levels of government, the
 private sector, nongovernmental organizations, the council, the board,
 and the committee. The executive director shall be accountable to the
 council and the governor for effective communication, actions, and
 results.
 - (2) The executive director shall be appointed by and serve at the pleasure of the governor, in consultation with the council. The governor shall consider the recommendations of the council when appointing the executive director.
 - (3) The executive director has the following powers and duties:
- 32 (a) To supervise the administrative operations of the Puget Sound 33 partnership and its staff;
 - (b) To administer the partnership programs and budget;
- 35 (c) To prepare and update the action agenda in accordance with the 36 goals and guidelines established by the council and in consultation 37 with the board and with the committee;

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1 (d) To produce and distribute a Puget Sound science update as provided in section 23 of this act;

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- (e) To represent and promote the interests of the state on Puget Sound recovery issues and further the mission of the partnership;
- (f) To enter into contracts and agreements, upon approval of the council, with private nonprofit corporations to further state goals of preserving, conserving, and enhancing the health of Puget Sound for its ecological value and public benefit and use;
- (g) To create and maintain a repository for data, studies, research, and other information relating to Puget Sound health in the state, and to encourage the interchange of such information; and
- (h) To encourage and provide opportunities for interagency and regional coordination and cooperative efforts between public agencies and between public and private entities involved in the recovery and preservation of Puget Sound.
- 16 (4) The executive director shall employ a staff, who shall be state 17 employees under Title 41 RCW. The executive director shall prescribe 18 the duties of the staff as may be necessary to implement the purposes 19 of this chapter.
- 20 NEW SECTION. Sec. 7. COORDINATION BOARD--STRUCTURE--PROCEDURES.
- 21 (1) The board shall be the communication and implementation link 22 between the partnership and local entities.
 - (2) The board shall consist of the following:
 - (a) One representative from the geographic area of each of the fourteen salmon recovery areas, appointed as provided in this section;
 - (b) One member of a statewide association representing general business interests, appointed by the council; and
- (c) One member of an organization representing the interests of the environmental community, appointed by the council.
 - (3) In addition, the governor shall invite full participation on the board by three representatives of tribal governments located in the Puget Sound basin.
- 33 (4) Representatives designated in subsection (2)(a) of this section 34 shall be appointed by the council; however, at least six of the 35 representatives designated in subsection (2)(a) of this section shall 36 be local public officials elected to their office at the time of their

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- appointment. The council shall solicit nominations from, at a minimum, 1
- 2 counties, cities, and watershed groups for appointments made under this
- 3 subsection.

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- (5) The board shall elect one of its members as chair, and one of 4 5 its members as vice-chair.
- (6) A majority of the total voting members of the board constitutes 7 a quorum for the transaction of business; however, at least one of the quorum members must be the chair or the vice-chair. 8
- (7) Board decisions and actions require majority vote of all voting 9 10 board members.
- (8)(a) The board shall invite one nonvoting ex officio member from: 11
- (i) Any appropriate state and federal agencies with a role in the 12 13 environmental management of Puget Sound;
- (ii) Each of the two major caucuses of the house of representatives 14 and each of the two major caucuses of the senate, appointed 15 16 respectively by the speaker of the house of representatives and the 17 president of the senate.
- (b) Except for legislative members, nonvoting ex officio members in 18 19 (a) of this subsection shall be appointed by their respective agencies.
- 20 NEW SECTION. Sec. 8. COORDINATION BOARD--POWERS AND DUTIES. (1) 21 The board shall offer assistance to cities, counties, ports, tribes, 22 watershed groups, and other governmental and private organizations to:
- (a) Communicate details of local plans to the partnership for 23 24 inclusion, when appropriate, into the action agenda and other regional 25 plans;
 - (b) Provide feedback from local entities to the council;
- (c) Educate the public about the threats to Puget Sound and about 27 local implementation strategies to support the Puget Sound action 28 29 agenda; and
- (d) Ensure that scientific and technical expertise is available to 30 31 local action agenda implementors.
 - (2) The board may:
- (a) Disseminate regional and basin-wide plans devised by or 33 approved by the partnership, in accordance with the action agenda, to 34 cities, counties, ports, tribes, watershed groups, and other 35 36 governmental and private organizations;

1 (b) Recruit the active involvement of local governments, 2 organizations, businesses, and residents within the Puget Sound region 3 in the restoration of Puget Sound;

- (c) Identify the capabilities, financial limitations, and regulatory barriers of various cities, counties, ports, tribes, watershed groups, and other governmental and private organizations, and communicate those determinations to the council and to the executive director.
- (3) Representatives from each of the fourteen geographic salmon recovery areas on the board shall be the designated board member to solicit input from cities, counties, tribes, and existing watershed groups in their respective salmon recovery areas to identify existing plans within the region that address or affect the health of Puget Sound, including listed species recovery plans, watershed-based resource plans, local government land use plans, and marine resource committee plans.
- NEW SECTION. Sec. 9. PUGET SOUND SCIENCE ADVISORY COMMITTEE. (1)
 The council shall create a nine member Puget Sound science advisory
 committee to advise the council.
 - (2)(a) In establishing the committee, the council shall request the Washington academy of sciences, created in chapter 70.220 RCW, to nominate fifteen scientists with recognized expertise in fields of science essential to the recovery of Puget Sound.
 - (b) Scientists nominated by the Washington academy of sciences may represent expertise in fields of science such as water quality, wetland ecology, species recovery, environmental toxicology, geology, ecology, biology, limnology, wildlife management and biology, environmental engineering, hydrology, oceanography, environmental sciences, environmental economics, and social sciences.
 - (c) At a minimum, the Washington academy of sciences shall consider making nominations from scientists associated with federal and state agencies, the business and environmental communities, members of the K-12, college, and university communities, and members of the board.
- 34 (d) Scientists nominated by the Washington academy of sciences must 35 disclose any conflicts of interest.
- 36 (3) The committee shall select a chair, who shall serve as a nonvoting ex officio member of the council.

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- - (a) Advise the council and the executive director in carrying out the obligations of the partnership;
 - (b) Assist the council and the executive director in developing and regularly updating or revising the action agenda and, as deemed appropriate by the committee, recommend updates to the action agenda on new scientific information;
- 9 (c) Play their designated roles in the development of various 10 science processes, as provided in section 23 of this act;
- 11 (d) Assist in the development of the 2020 plan in a manner 12 consistent with the action agenda goals; and
- 13 (e) Offer an ecosystem-wide perspective on the science work being 14 competed by the partnership.
- 15 (2) The committee should collaborate with other scientific groups 16 and consult other scientists in conducting its work.
- NEW SECTION. Sec. 11. ACTION AGENDA--VISION. The action agenda that is to be implemented under this chapter shall strive to achieve the following visions:
- 20 (1) A healthy human population supported by a healthy Puget Sound 21 that is not threatened by changes in the ecosystem;
- 22 (2) A quality of human life that is sustained by a functioning 23 Puget Sound ecosystem;
 - (3) Healthy and sustaining populations of native species in Puget Sound, including a robust food web;
 - (4) A healthy Puget Sound where freshwater, estuary, near shore, marine, and upland habitats are protected, restored, and sustained;
 - (5) An ecosystem that is supported by ground water levels as well as river and stream flow levels sufficient to sustain people, fish, and wildlife, and the natural functions of the environment;
- 31 (6) Fresh and marine waters and sediments of a sufficient quality 32 so that the waters in the region are safe for drinking, swimming, 33 shellfish harvest and consumption, and other human uses and enjoyment, 34 and are not harmful to the native marine mammals, fish, birds, and 35 shellfish of the region.

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- <u>NEW SECTION.</u> **Sec. 12.** ACTION AGENDA--CONFLICTS. When a state, 1 2 local, or federal entity identifies a statute, rule, or ordinance that conflicts with the requirements of, or an impediment to the 3 implementation of, the action agenda created in section 13 of this act, 4 5 the council shall evaluate the merits of the conflict or impediment and make necessary recommendations to the agency, governor, legislature, 6 local government, or other appropriate entity for addressing and 7 8 resolving the conflict or impediment.
 - NEW SECTION. Sec. 13. ACTION AGENDA--DEVELOPMENT. (1) The council shall develop a science-based action agenda that leads to the recovery of Puget Sound by 2020, reflecting the visions established in section 11 of this act and developed in accordance with this section.
 - (2) The action agenda shall:

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- (a) Describe the problems affecting Puget Sound's health using supporting scientific data, and provide a historical analysis of the environmental health conditions of Puget Sound so as to determine past levels of pollution and restorative actions that have established the current health conditions of Puget Sound;
- (b) Set goals, strategic priorities, and measurable outcomes specifically describing what will be achieved, how it will be quantified, how progress towards outcomes will be measured, and time-bound benchmarks that specify the targeted steps needed to reach a healthy Puget Sound by 2020, consistent with the visions, as provided in section 11 of this act;
- (c) Identify and prioritize the strategies and actions necessary to restore and protect Puget Sound;
- (d) Identify the agency, entity, or person responsible for completing the necessary action, and potential sources of funding; and
- (e) Establish deadlines for the completion of the necessary actions describing where achieving certain goals will require timelines beyond 2020 to achieve;
- 32 (f) Address all geographic areas of Puget Sound, including upland 33 areas and tributary rivers and streams that affect Puget Sound. 34 Specific action agenda sections may address specific geographic areas 35 of Puget Sound;
- 36 (g) Include a specific plan or actions to address aquatic 37 rehabilitation zone one, as defined in RCW 90.88.010;

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- 1 (h) Evaluate the effectiveness and efficiency of the overall 2 management system for the improvement and maintenance of the health of 3 the Puget Sound ecosystem;
 - (i) Review, revise as needed, and incorporate as they are developed, the council's ecosystem goals and quantifiable measures;
 - (j) Establish near-term and long-term benchmarks that demonstrate progress in achieving action agenda goals, and that describe how progress will be tracked through clear and quantifiable measures that are included in the action agenda;
- 10 (k) Integrate, as appropriate, the recovery plans for salmon, orca, 11 and other species in Puget Sound listed under the federal endangered 12 species act;
- 13 (1) Work collaboratively with the Hood Canal coordinating council 14 in chapter 90.88 RCW on Hood Canal-specific issues;
- 15 (m) Integrate, where appropriate, provisions of water quantity, 16 watershed, marine resource, and other watershed and water quality 17 plans; and
 - (n) Incorporate appropriate actions to carry out the science work plan created in section 23 of this act.
- 20 (3) The partnership shall, when deemed appropriate by the council, 21 incorporate existing watershed plans created by, but not limited to, 22 local governments, watershed groups, and marine and shoreline groups. 23 Watershed plans include:
 - (a) Existing watershed projects;
 - (b) Watershed programs;
 - (c) Watershed plans; and
- 27 (d) Other watershed plans related to water quality, water quantity, 28 or habitat restoration.
- 29 (4) In developing the action agenda and any subsequent revisions, 30 the council shall, when deemed appropriate by the council:
- 31 (a) Incorporate existing plans and agreements signed by the 32 governor, the commissioner of public lands, other state officials, or 33 by federal agencies;
 - (b) Consider and use appropriate portions of the Puget Sound water quality management plan existing on the effective date of this section;
- 36 (c) Involve the committee and the board, including a review of the proposed action agenda or revisions; and
- 38 (d) Provide opportunity for public review and comment.

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- (5) Until the action agenda is adopted, the existing Puget Sound 1 2 management plan and the 2007-09 Puget Sound biennial plan shall remain The existing Puget Sound management plan shall also 3 continue to serve as the comprehensive conservation and management plan 4 5 for the purposes of the national estuary program described in section 320 of the federal clean water act, until replaced by the action agenda 6 7 and approved by the United States environmental protection agency as 8 the new comprehensive conservation and management plan.
 - (6) After the adoption of the initial action agenda, the council shall revise the action agenda at least every six years using an adaptive management process informed by tracking actions and monitoring results in Puget Sound.
- 13 (7) Action agenda goals shall be determined by the council, and 14 shall be in accordance with the visions, as provided in section 11 of 15 this act.
- 16 (8) The action agenda shall be organized and maintained in a single 17 document to facilitate public accessibility to the plan.
- NEW SECTION. Sec. 14. LOCAL SUPPORT. As funds allow, the partnership shall, when requested, support and provide nonregulatory quidance to local entities and assist local entities to:
- 21 (1) Help prioritize environmental needs and identify environmental 22 research and data gaps;
 - (2) Help identify ways to fund new projects and programs that narrow environmental research and data gaps;
 - (3) Advance public understanding, coordinate educational efforts, foster action and results at the community level, and support and coordinate with organizations to provide volunteer opportunities;
 - (4) Integrate local restoration efforts with basin-wide restoration activities consistent with the action agenda; and
 - (5) Review, suggest modifications to, implement, measure results of, or provide or identify additional funds, such as grants and loans, to existing programs, projects, plans, and efforts, such as for:
 - (a) Local salmon recovery;
 - (b) Shoreline restoration and protection;
- 35 (c) Water quality improvement; and
- 36 (d) Water quantity plans.

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- 1 <u>NEW SECTION.</u> **Sec. 15.** DEVELOPMENT OF BIENNIAL BUDGET REQUESTS.
- 2 (1) State agencies specifically responsible for implementing elements 3 of the action agenda shall:
 - (a) Provide to the partnership by June 1st of each even-numbered year their estimates of the actions and the level of effort needed for the forthcoming biennium to implement their portion of the action agenda; and
 - (b) Work with the partnership in the development of biennial budget requests directly related to achieving consistency with the action agenda to be submitted to the governor for consideration in the governor's biennial budget request. The agencies shall seek the concurrence of the partnership in the proposed funding levels and sources included in this proposed budget.
 - (2) If a state agency submits an amount different from that developed in subsection (1)(a) of this section as part of its biennial budget request, the partnership and state agency shall jointly identify the differences and the reasons for these differences and present this information to the office of financial management by October 1st of each even-numbered year.
 - (3) By September 1, 2008, and by September 1st every two years thereafter, the council shall provide to the governor and the appropriate fiscal and policy committees of the house of representatives and senate its recommendations for the funding necessary to implement the action agenda, in order to achieve the 2020 goals of this chapter. The recommendations shall:
 - (a) Identify funding needs by plan element and identify the time periods in which specific funding is needed;
 - (b) Address funding responsibilities among local, state, and federal governments, as well as nongovernmental funding;
- 30 (c) Assess and evaluate availability of funding from existing 31 sources;
 - (d) Identify gaps between funding needs and funds available from existing sources; and
- (e) Propose and develop a detailed financing strategy to secure stable, long-term, and sufficient dedicated funding throughout the time periods for plan implementation, including proposals for new, broadbased sources of funding that will fill the funding gaps, as identified in this subsection.

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- 1 (4) The funding recommendation reports, as provided in subsection 2 (3) of this section, must be available to the public before a budget 3 request is made.
- 4 NEW SECTION. Sec. 16. ACTIVITIES OF NONSTATE ENTITIES. The legislature intends for all governmental entities, including state 5 agencies, cities, counties, ports, special purpose districts, and other 6 7 governmental entities to support and help implement the action agenda 8 as adopted by the council. Good cause for nonconformance by a governmental entity exists if there is proper exercise of discretion 9 with current law or in determining a lack of legal authority, a 10 conflicting legal authority, or a lack of funding despite documented 11 good faith efforts taken to obtain necessary funding. 12
- NEW SECTION. Sec. 17. PUGET SOUND PARTNERS. (1) All entities that operate in a manner consistent with the intent stated in section 16 of this act may, upon application, be designated by the partnership as a Puget Sound partner.

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- (2) The council shall, with the advice of the board, determine the standards and criteria that must be satisfied in order for an entity to be designated a Puget Sound partner.
- (3) Except for grant preferences specifically designated by the legislature, there shall be no punitive or corrective penalty assessed by the partnership, or any differential treatment given by the partnership, for a city, county, special district, or other governmental entity that is not designated as a Puget Sound partner.
- 25 <u>NEW SECTION.</u> **Sec. 18.** FUNDING FROM PARTNERSHIP--ACCOUNTABILITY.
- 26 (1) Any funding made available directly to the partnership from the 27 Puget Sound recovery account created in section 27 of this act and used 28 by the partnership for grants or funding transfers to other entities 29 shall be prioritized according to the action agenda developed pursuant 30 to section 13 of this act.
 - (2) The partnership shall condition, with interagency agreements, any grants or funding transfers to other entities to ensure accountability in the expenditure of the funds and to ensure that the funds are used by the recipient entity in the manner determined by the partnership to be the most consistent with the priorities of the action

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- agenda. Any conditions placed on federal funding under this section shall either incorporate, or not run counter to, signed agreements between the entity and the federal government.
 - (3) If the partnership finds that the provided funding was not used as instructed in the interagency agreement, the partnership may suspend or further condition future funding to the recipient entity.
 - (4) Any entity directly or indirectly receiving funding from the partnership that is not subject to disclosure under chapter 42.56 RCW must, as a mandatory contractual prerequisite to receiving the funding, agree to disclose any information in regards to that funding as if the entity were subject to the requirements of chapter 42.56 RCW.
 - NEW SECTION. Sec. 19. FUNDING--INTERAGENCY AGREEMENTS--PERFORMANCE REQUIREMENTS. (1)(a) Except as otherwise provided in this section, funds identified by the partnership in section 15 of this act and appropriated in the 2009-2011 biennium and thereafter, in the form of a proviso in the omnibus appropriations act, directly to a state agency other than the partnership specifically for implementation of the action agenda and specifically mentioning the partnership, shall not be expended before an interagency agreement is entered between the partnership and the state agency to which the funds are appropriated.
 - (b) To avoid delays in expending funds required under this section to be conditional on the execution of an interagency agreement, the partnership shall attempt to provide draft performance agreements at least sixty days before the beginning of the biennium.
 - (2) The office of financial management may approve expenditure of funds under this section prior to the execution of an interagency agreement, if it determines that accelerating the expenditure would be beneficial to accomplishing the action agenda developed pursuant to section 13 of this act.
- NEW SECTION. Sec. 20. STATE OF THE SOUND REPORT. (1) The partnership shall submit an initial performance report to the governor and to the appropriate legislative committees in January 2009, and additional biennial reports, to be known as the state of the Sound report, in September every two years thereafter.
- 35 (2) The state of the Sound report shall, when applicable, at a 36 minimum:

1 (a) Assess progress made by state and nonstate entities towards 2 completion of the action agenda adopted under section 13 of this act;

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- (b) Assess whether entities that have received state funds for actions related to the action agenda have accomplished the expected results;
- (c) Identify instances where entities have been found to be acting in a manner inconsistent with the action agenda, how the actions are inconsistent with the action agenda, and what steps the partnership has taken to encourage conformance with the action agenda;
- (d) Identify instances where nonstate entities have refused technical assistance;
- (e) Identify recommended changes to statutes identified by the process outlined in section 21 of this act;
 - (f) Review the expenditure of funds provided to state agencies that are not included in sections 18 and 19 of this act and are used for the implementation of the growth management act, the shoreline management act, storm water permitting, or designated from the toxics control accounts created in RCW 70.105D.070, the public works assistance account created in RCW 43.155.050, the water quality account created in RCW 70.146.030, or environmental mitigation funding from the department of transportation, to determine whether the use of the funds is consistent with the action agenda;
- 23 (g) Report any findings arising from the implementation of RCW 24 90.71.060; and
- 25 (h) Identify all funds provided to the partnership, and 26 recommendations as to how future state expenditures for all entities, 27 including the partnership, could better match the priorities of the 28 action agenda.
- 29 NEW SECTION. Sec. 21. BARRIERS TO 2020 SUCCESS. (1) 30 partnership shall, on a schedule determined by the partnership, conduct 31 an investigation into all existing state, local, and federal laws and regulations that limit the ability of the state to restore a healthy 32 Puget Sound by 2020, and investigate human activities involving the 33 removal of flora and fauna from the Hood Canal and Puget Sound, such as 34 harvest practices and other activities that lead to a loss of biomass, 35 36 that have a potential effect on the ecological balance and overall 37 health of marine waters.

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- 1 (2) The partnership shall make recommendations to the governor and 2 the appropriate committees of the legislature, or other appropriate 3 entities, to sponsor legislation or changes to the Washington 4 Administrative Code or agency or local policy addressing the barriers 5 to successfully fulfilling the vision of the partnership.
- NEW SECTION. Sec. 22. PERFORMANCE AUDIT. (1) The joint legislative audit and review committee shall conduct a performance audit of the partnership beginning April 1, 2011, and again in April 2016, to be completed within six months of the initiation of the audit and reported a reasonable time thereafter.
 - (2) The audits shall include, but not be limited to:
 - (a) A determination of the extent to which funds expended as provided in sections 18 and 19 of this act have contributed to progress toward meeting scientific benchmarks and to the restoration of Puget Sound; and
 - (b) A determination of the efficiency and effectiveness of the partnership's oversight of action agenda implementation.
 - (3) If a review under this section determines that there has been insufficient progress toward meeting the benchmarks in a timely manner relative to the 2020 goal or that funds expended have not achieved expected results, the joint legislative and audit review committee shall include in its report:
 - (a) Recommendations on how to improve the partnership's efficiency and effectiveness regarding its ability to hold accountable those entities responsible for action agenda results; and
 - (b) Whether the partnership should be restructured by the 2012 legislature or legislatures thereafter.
- 28 (4) The executive director must provide any partnership materials 29 to the joint legislative audit and review committee upon request.
- 30 (5) The partnership shall use the reports generated by the joint 31 legislative audit and review committee under this section as a basis 32 for recommended changes to successfully achieve the action agenda goals 33 by 2020.
- NEW SECTION. Sec. 23. SCIENCE PROGRAMS. (1)(a) The committee, with assistance and staff support provided by the executive director, shall develop a strategic science program.

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- (b) The strategic science program may include:
- (i) Continuation of the Puget Sound assessment and monitoring program, as provided in RCW 90.71.060, as well as other monitoring programs deemed appropriate by the executive director; and
- (ii) Development of a monitoring program, in addition to the provisions of RCW 90.71.060, including baselines, protocols, guidelines, and quantifiable performance measures, to be recommended as an element of the action agenda.
- (2)(a) The committee, with assistance and staff support provided by the executive director, shall develop a Puget Sound science update, with the initial update submitted by April 2010, with subsequent updates occurring as necessary to reflect new scientific understandings.
 - (b) The update shall:

- (i) Describe the current scientific understanding of various physical attributes of Puget Sound;
 - (ii) Serve as the scientific basis for the selection of environmental indicators measuring the health of Puget Sound; and
 - (iii) Serve as the scientific basis for the status and trends of those environmental indicators within an ecosystem framework.
 - (c) The executive director shall submit the Puget Sound science update to the Washington academy of sciences, to the governor, and to the appropriate legislative committees, and include a summary of information in existing updates, as well as changes adopted in subsequent updates, in the state of the Sound reports produced pursuant to section 20 of this act.
 - (3)(a) The committee, with assistance and staff support provided by the executive director, shall develop a biennial science work plan, with advice, provided by the council.
 - (b) The biennial science work plan shall include, at a minimum:
- 31 (i) Identification of recommendations from scientific and technical reports relating to Puget Sound;
 - (ii) A description of the Puget Sound science-related activities being conducted by various entities in the region, including studies, models, monitoring, research, and other appropriate activities;
- 36 (iii) A description of whether the ongoing work addresses the 37 recommendations and, if not, identification of necessary actions to 38 fill gaps;

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- 1 (iv) Identification of specific biennial science work actions to be 2 done over the course of the work plan, and how these actions address 3 science needs in Puget Sound;
 - (v) Recommendations for improvements to the ongoing science work in Puget Sound;
 - (vi) The identification of appropriate recommendations from scientific and technical reports relating to Puget Sound; and
- 8 (vii) A description of the Puget Sound science-related activities 9 being conducted by various entities in the Puget Sound region, 10 including models, research, and other appropriate activities.
- 11 (4) Both the strategic science program and the biennial science 12 work plan may not become official documents until a majority of the 13 members of the council vote for their adoption.
 - NEW SECTION. Sec. 24. BASIN-WIDE RESTORATION PROGRESS. (1) Upon the request of the executive director, and subject to available funding, the Washington academy of sciences shall conduct an assessment of basin-wide restoration progress. The assessment shall include, but not be limited to a determination of the extent to which implementation of the action agenda is making progress toward the action agenda goals, and a determination of whether the environmental indicators and benchmarks included in the action agenda accurately measure and reflect progress toward the action agenda goals.
 - (2) The partnership shall use the assessment, as provided in this section, as a basis for recommended changes to successfully achieve the action agenda goals by 2020. Recommended changes may include, but are not limited to:
- 27 (a) The action agenda;

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- 28 (b) The environmental indicators, as provided in this section; and
- 29 (c) Budget requests to the governor and legislature.
- 30 **Sec. 25.** RCW 90.71.060 and 1996 c 138 s 7 are each amended to read 31 as follows:
- In addition to other powers and duties specified in this chapter, the ((action team shall ensure)) council, in coordination with the committee, may guide the implementation and coordination of ((the)) a
- 35 Puget Sound ambient monitoring program ((established in the Puget Sound

management plan. The program shall)). Elements of the program should include, at a minimum:

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- (1) A research program, including but not limited to methods to provide current research information to managers and scientists, and to establish priorities based on the ((needs of the action team)) action agenda;
- A monitoring program, including baselines, protocols, guidelines, and quantifiable performance measures. In consultation with state agencies, local and tribal governments, and other public and private interests, the ((action team)) partnership shall develop and track quantifiable performance measures that can be used by the governor and the legislature to assess the effectiveness over time of programs and actions initiated under the plan to improve and protect Puget Sound water quality and biological resources. ((The performance measures shall be developed by June 30, 1997.)) The performance measures shall include, but not be limited to a methodology to track the progress of: Fish and wildlife habitat; sites with sediment contamination; wetlands; shellfish beds; and other key indicators of Puget Sound health. State agencies shall assist the action team in the development and tracking of these performance measures. The performance measures may be limited to a selected geographic area.
- 22 (3) Any results arising from the implementation of this section 23 shall be included in the state of the Sound report prepared pursuant to 24 section 20 of this act.
- NEW SECTION. Sec. 26. ACCOUNTABILITY. (1) The council shall be accountable for achieving the action agenda.
 - (2) The council, with assistance from the committee or from the Washington academy of sciences created in chapter 70.220 RCW, shall identify environmental indicators that accurately measure success of the action agenda goals.
- 31 (3) The council is responsible for measuring the environmental 32 indicators, as provided in subsection (2) of this section, and shall 33 report the results in the Puget Sound science update, as provided in 34 section 23 of this act.
- 35 (4) The council shall, as deemed appropriate by the council, apply 36 accountability measures consistent with the assessment in RCW 43.17.385

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- to all levels of government and to any entity with responsibilities under the action agenda, including itself, to determine compliance with the action agenda and achievement of the results expected.
 - (5) The council shall work with the board to develop accountability measures for any entity having responsibilities under the action agenda, to determine compliance with the action agenda, and achievement of the results expected. The council or the board shall also work with the entities themselves to identify additional accountability measures, including positive incentives and consequences for inaction.
- NEW SECTION. Sec. 27. PUGET SOUND RECOVERY ACCOUNT. The Puget 10 11 Sound recovery account is created in the state treasury. All moneys 12 appropriated to the Puget Sound partnership for state and nonstate entity plan implementation activities shall be deposited into the 13 account. Grants, gifts, or other financial assistance received by the 14 15 Puget Sound partnership from nonstate sources for the purposes of 16 recovering Puget Sound may be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the 17 account may be used only for the purpose of implementing the action 18 19 agenda.
- NEW SECTION. Sec. 28. AUTHORITIES. (1) The partnership shall not have regulatory authority nor authority to transfer the responsibility for, or implementation of, any state regulatory program, unless otherwise specifically authorized by the legislature.
 - (2)(a) No action of the partnership may create a mandatory duty applicable to the review or approval of any permits or the adoption of any plans relating to an entity that is not the partnership.
 - (b) The partnership may not take actions that qualify an agency action, as that term is defined in RCW 34.05.010.
 - (c) No action of the partnership may alter the forest practices rules adopted pursuant to chapter 76.09 RCW, or any associated habitat conservation plan; however, the council may use habitat conservation plans based on the forest practices rules as a model for developing the action agenda. Any changes in forest practices identified by the processes established in this chapter as necessary to fully recover the health of Puget Sound by 2020 may only be realized through the

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- processes established in RCW 76.09.370 and other designated processes established in Title 76 RCW.
- 3 (3) State and local governments shall retain their own decision-4 making authority in implementing the action agenda consistent with 5 current law.
- NEW SECTION. Sec. 29. COMPENSATION AND REIMBURSEMENT. (1)
 Members of the council, including nonvoting ex officio members, shall
 be compensated in accordance with RCW 43.03.220 and be reimbursed for
 travel expenses in accordance with RCW 43.03.050 and 43.03.060.
- 10 (2) The salary of the executive director shall be set by the 11 governor.
- 12 (3) Members of the board, including nonvoting ex officio members, 13 shall be reimbursed for travel expenses in accordance with RCW 14 43.03.050 and 43.03.060.

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- (4) Members of the committee shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060, and based upon the availability of funds, the council may contract with members of the committee for compensation for their services under chapter 39.29 RCW. If appointees to the committee are employed by the federal, tribal, state, or local governments, the council may enter into interagency personnel agreements.
- NEW SECTION. Sec. 30. TRANSFER OF POWERS, DUTIES, AND FUNCTIONS--REFERENCES TO CHAIR OF THE PUGET SOUND ACTION TEAM. (1) The Puget Sound action team is hereby abolished and its powers, duties, and functions are hereby transferred to the Puget Sound partnership as consistent with this chapter. All references to the chair or the Puget Sound action team in the Revised Code of Washington shall be construed to mean the executive director or the Puget Sound partnership.
- 29 (2)(a) All employees of the Puget Sound action team are transferred 30 to the jurisdiction of the Puget Sound partnership.
 - (b) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the Puget Sound action team shall be delivered to the custody of the Puget Sound partnership. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the Puget Sound action team shall be made

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- available to the Puget Sound partnership. All funds, credits, or other assets held by the Puget Sound action team shall be assigned to the Puget Sound partnership.
 - (c) Any appropriations made to the Puget Sound action team shall, on the effective date of this section, be transferred and credited to the Puget Sound partnership.
 - (d) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.
 - (3) All rules and all pending business before the Puget Sound action team shall be continued and acted upon by the Puget Sound partnership. All existing contracts and obligations shall remain in full force and shall be performed by the Puget Sound partnership.
 - (4) The transfer of the powers, duties, functions, and personnel of the Puget Sound action team shall not affect the validity of any act performed before the effective date of this section.
 - (5) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.
 - (6) Nothing contained in this section may be construed to alter any existing collective bargaining unit or the provisions of any existing collective bargaining agreement until the agreement has expired or until the bargaining unit has been modified by action of the public employment relations commission as provided by law.
- NEW SECTION. Sec. 31. CAPTIONS NOT LAW. Captions used in this chapter are not any part of the law.
- **Sec. 32.** RCW 90.71.100 and 2001 c 273 s 3 are each amended to read as follows:
- 35 (1)(a) The ((action team)) department of health shall ((establish 36 a)) manage the established shellfish on-site sewage grant program in

Puget Sound and for Pacific and Grays Harbor counties. The ((action team)) department of health shall provide funds to local health jurisdictions to be used as grants or loans to individuals for improving their on-site sewage systems. The grants or loans may be provided only in areas that have the potential to adversely affect water quality in commercial and recreational shellfish growing areas.

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- (b) A recipient of a grant or loan shall enter into an agreement with the appropriate local health jurisdiction to maintain the improved on-site sewage system according to specifications required by the local health jurisdiction.
- (c) The ((action team)) department of health shall work closely with local health jurisdictions and ((shall endeavor)) it shall be the goal of the department of health to attain geographic equity between Grays Harbor, Willapa Bay, and ((the)) Puget Sound when making funds available under this program.
 - (d) For the purposes of this subsection, "geographic equity" means issuing on-site sewage grants or loans at a level that matches the funds generated from the oyster reserve lands in that area.
 - (2) In ((the)) Puget Sound, the ((action team)) department of health shall give first priority to areas that are:
- 21 (a) Identified as "areas of special concern" under WAC 246-272-22 01001; or
- 23 (b) Included within a shellfish protection district under chapter 24 90.72 RCW.
 - (3) In Grays Harbor and Pacific counties, the ((action team)) department of health shall give first priority to preventing the deterioration of water quality in areas where commercial or recreational shellfish are grown.
 - (4) The ((action team)) department of health and each participating local health jurisdiction shall enter into a memorandum of understanding that will establish an applicant income eligibility requirement for individual grant applicants from within the jurisdiction and other mutually agreeable terms and conditions of the grant program.
- 35 (5) The ((action team)) department of health may recover the costs 36 to administer this program not to exceed ten percent of the shellfish 37 - on-site sewage grant program.

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- (6) ((For the 2001-2003 biennium, the action team may use up to 1 fifty percent of the shellfish on-site sewage grant program funds for 2 grants to local health jurisdictions to establish areas of special 3 concern under WAC 246-272-01001, or for operation and maintenance 4 5 programs therein, where commercial and recreational uses are present)) As part of the grant program created in this section, the department of 6 7 health may use any unexpended and unobligated funds from the oyster reserve land account, created in RCW 77.60.160, that are remaining 8 after the implementation of subsection (1) of this section to fund 9 research projects related to oyster reserves. The department shall 10 select research projects in consultation with the department of fish 11 12 and wildlife and the appropriate reserve advisory committee created in RCW 77.60.150(2). 13
- NEW SECTION. Sec. 33. A new section is added to chapter 41.06 RCW to read as follows:
- In addition to the exemptions under RCW 41.06.070, the provisions of this chapter shall not apply in the Puget Sound partnership to the executive director, to one confidential secretary, and to all professional staff.
- 20 **Sec. 34.** RCW 43.17.010 and 2006 c 265 s 111 are each amended to 21 read as follows:

22 There shall be departments of the state government which shall be 23 known as (1) the department of social and health services, (2) the department of ecology, (3) the department of labor and industries, (4) 24 25 the department of agriculture, (5) the department of fish and wildlife, (6) the department of transportation, (7) the department of licensing, 26 (8) the department of general administration, (9) the department of 27 community, trade, and economic development, (10) the department of 28 29 veterans affairs, (11) the department of revenue, (12) the department 30 of retirement systems, (13) the department of corrections, (14) the department of health, (15) the department of financial institutions, 31 (16) the department of archaeology and historic preservation, ((and)) 32 (17) the department of early learning, and (18) the Puget Sound 33 34 partnership, which shall be charged with the execution, enforcement, 35 and administration of such laws, and invested with such powers and 36 required to perform such duties, as the legislature may provide.

1 **Sec. 35.** RCW 43.17.020 and 2006 c 265 s 112 are each amended to 2 read as follows:

There shall be a chief executive officer of each department to be 3 known as: (1) The secretary of social and health services, (2) the 4 5 director of ecology, (3) the director of labor and industries, (4) the director of agriculture, (5) the director of fish and wildlife, (6) the 6 7 secretary of transportation, (7) the director of licensing, (8) the director of general administration, (9) the director of community, 8 9 trade, and economic development, (10) the director of veterans affairs, (11) the director of revenue, (12) the director of retirement systems, 10 (13) the secretary of corrections, (14) the secretary of health, (15) 11 the director of financial institutions, (16) the director of the 12 13 department of archaeology and historic preservation, ((and)) (17) the 14 director of early learning, and (18) the executive director of the 15 Puget Sound partnership.

Such officers, except the director of fish and wildlife, shall be appointed by the governor, with the consent of the senate, and hold office at the pleasure of the governor. The director of fish and wildlife shall be appointed by the fish and wildlife commission as prescribed by RCW 77.04.055.

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- 21 **Sec. 36.** RCW 42.17.2401 and 2006 c 265 s 113 are each amended to 22 read as follows:
- For the purposes of RCW 42.17.240, the term "executive state officer" includes:
 - The chief administrative (1)law judge, the director agriculture, the administrator of the Washington basic health plan, the director of the department of services for the blind, the director of the state system of community and technical colleges, the director of community, trade, and economic development, the secretary of corrections, the director of early learning, the director of ecology, the commissioner of employment security, the chair of the energy facility site evaluation council, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the executive secretary of the forest practices appeals board, the director of the gambling commission, the director of general administration, the secretary of health, the administrator of the Washington state health care authority, the executive secretary of the

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health care facilities authority, the executive secretary of the higher 1 education facilities authority, the executive secretary of the horse 2 racing commission, the executive secretary of the human rights 3 commission, the executive secretary of the indeterminate sentence 4 review board, the director of the department of information services, 5 the director of the interagency committee for outdoor recreation, the 6 7 executive director of the state investment board, the director of labor and industries, the director of licensing, the director of the lottery 8 commission, the director of the office of minority and women's business 9 10 enterprises, the director of parks and recreation, the director of personnel, the executive director of the public disclosure commission, 11 12 the executive director of the Puget Sound partnership, the director of 13 retirement systems, the director of revenue, the secretary of social and health services, the chief of the Washington state patrol, the 14 executive secretary of the board of tax appeals, the secretary of 15 transportation, the secretary of the utilities and transportation 16 17 commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen 18 State College, and each district and each campus president of each 19 state community college; 20

- (2) Each professional staff member of the office of the governor;
- (3) Each professional staff member of the legislature; and
- (4) Central Washington University board of trustees, board of trustees of each community college, each member of the state board for community and technical colleges, state convention and trade center board of directors, committee for deferred compensation, Eastern Washington University board of trustees, Washington economic development finance authority, The Evergreen State College board of trustees, executive ethics board, forest practices appeals board, forest practices board, gambling commission, life sciences discovery fund authority board of trustees, Washington health care facilities authority, each member of the Washington health services commission, higher education coordinating board, higher education facilities authority, horse racing commission, state housing finance commission, human rights commission, indeterminate sentence review board, board of industrial insurance appeals, information services board, interagency committee for outdoor recreation, state investment board, commission on judicial conduct, legislative ethics board, liquor control board,

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- lottery commission, marine oversight board, Pacific Northwest electric 1 2 power and conservation planning council, parks and commission, ((personnel appeals board,)) board of 3 pilotage commissioners, pollution control hearings board, public disclosure 4 commission, public pension commission, shorelines hearing board, public 5 employees' benefits board, salmon recovery funding board, board of tax 6 7 appeals, transportation commission, University of Washington board of regents, utilities and transportation commission, Washington state 8 maritime commission, Washington personnel resources board, Washington 9 10 public power supply system executive board, Washington State University board of regents, Western Washington University board of trustees, and 11 12 fish and wildlife commission.
- 13 **Sec. 37.** RCW 77.85.090 and 2005 c 309 s 7 are each amended to read 14 as follows:
- 15 (1) The southwest Washington salmon recovery region, whose 16 boundaries are provided in chapter 60, Laws of 1998, is created.

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- (2) Lead entities within a salmon recovery region that agree to form a regional salmon recovery organization may be recognized by the salmon recovery office as a regional recovery organization. The regional recovery organization may plan, coordinate, and monitor the implementation of a regional recovery plan in accordance with RCW 77.85.150. Regional recovery organizations existing as of July 24, 2005, that have developed draft recovery plans approved by the governor's salmon recovery office by July 1, 2005, may continue to plan, coordinate, and monitor the implementation of regional recovery plans.
- (3) Beginning January 1, 2008, the leadership council, created under chapter 90.71 RCW, shall serve as the regional salmon recovery organization for Puget Sound salmon species, except for program known as the Hood Canal summer chum evolutionarily significant unit area, which the Hood Canal coordinating council shall continue to administer under chapter 90.88 RCW.
- 33 **Sec. 38.** RCW 70.220.040 and 2005 c 305 s 4 are each amended to read as follows:
- 35 (1) The academy shall investigate, examine, and report on any 36 subject of science requested by the governor, the governor's designee,

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- the executive director of the Puget Sound partnership, or the legislature. The procedures for selecting panels of experts to respond
- 3 to such requests shall be set forth in the bylaws or other appropriate
- 4 operating guidelines. In forming review panels, the academy shall
- 5 endeavor to assure that the panel members have no conflicts of interest
- 6 and that proposed panelists first disclose any advocacy positions or
- 7 financial interest related to the questions to be addressed by the
- 8 panel that the candidate has held within the past ten years.
- 9 (2) The governor shall provide funding to the academy for the 10 actual expense of such investigation, examination, and reports. Such
- 11 funding shall be in addition to state funding assistance to the academy
- in its initial years of operation as described in RCW 70.220.060.
- 13 **Sec. 39.** RCW 43.155.070 and 2001 c 131 s 5 are each amended to 14 read as follows:
- 15 (1) To qualify for loans or pledges under this chapter the board 16 must determine that a local government meets all of the following 17 conditions:
- 18 (a) The city or county must be imposing a tax under chapter 82.46 19 RCW at a rate of at least one-quarter of one percent;
- 20 (b) The local government must have developed a capital facility 21 plan; and
 - (c) The local government must be using all local revenue sources which are reasonably available for funding public works, taking into consideration local employment and economic factors.
 - (2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 must have adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving a loan or loan guarantee under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 which has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 is not prohibited from receiving a loan or loan guarantee under this chapter if the

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comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before submitting a request for a loan or loan quarantee.

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- (3) In considering awarding loans for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board shall consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.
- (4) The board shall develop a priority process for public works projects as provided in this section. The intent of the priority process is to maximize the value of public works projects accomplished with assistance under this chapter. The board shall attempt to assure a geographical balance in assigning priorities to projects. The board shall consider at least the following factors in assigning a priority to a project:
- (a) Whether the local government receiving assistance has experienced severe fiscal distress resulting from natural disaster or emergency public works needs;
- (b) Except as otherwise conditioned by section 40 of this act, whether the entity receiving assistance is designated as a Puget Sound partner, as that term is defined in RCW 90.71.010;
- (c) Whether the project is included in the action agenda adopted by the Puget Sound partnership under section 13 of this act;
- (d) Whether the project is critical in nature and would affect the health and safety of a great number of citizens;
- $((\frac{(c)}{(c)}))$ (e) The cost of the project compared to the size of the local government and amount of loan money available;
- $((\frac{d}{d}))$ <u>(f)</u> The number of communities served by or funding the 31 project;
- $((\frac{(e)}{(e)}))$ (g) Whether the project is located in an area of high unemployment, compared to the average state unemployment;
- (((f))) <u>(h)</u> Whether the project is the acquisition, expansion, improvement, or renovation by a local government of a public water system that is in violation of health and safety standards, including the cost of extending existing service to such a system;

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- (((g))) <u>(i)</u> The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local capacity to increase local economic activity in communities that have low economic growth; and
 - $((\frac{h}{h}))$ Other criteria that the board considers advisable.
- (5) Existing debt or financial obligations of local governments shall not be refinanced under this chapter. Each local government applicant shall provide documentation of attempts to secure additional local or other sources of funding for each public works project for which financial assistance is sought under this chapter.
- (6) Before November 1st of each year, the board shall develop and submit to the appropriate fiscal committees of the senate and house of representatives a description of the loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section during the preceding fiscal year and a prioritized list of projects which are recommended for funding by the legislature, including one copy to the staff of each of the committees. The list shall include, but not be limited to, a description of each project and recommended financing, the terms and conditions of the loan or financial guarantee, the local government jurisdiction and unemployment rate, demonstration of the jurisdiction's critical need for the project and documentation of local funds being used to finance the public works project. The list shall also include measures of fiscal capacity for each jurisdiction recommended for financial assistance, compared to authorized limits and state averages, including local government sales taxes; real estate excise taxes; property taxes; and charges for or taxes on sewerage, water, garbage, and other utilities.
- (7) The board shall not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds for a specific list of public works projects. The legislature may remove projects from the list recommended by the board. The legislature shall not change the order of the priorities recommended for funding by the board.
- (8) Subsection (7) of this section does not apply to loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section.
- 36 (9) Loans made for the purpose of capital facilities plans shall be 37 exempted from subsection (7) of this section.

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(10) To qualify for loans or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter 70.95 RCW.

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- (11) After January 1, 2010, any project designed to address the 6 7 effects of storm water or wastewater on Puget Sound may be funded under this section only if the project is not in conflict with the action 8 agenda adopted by the Puget Sound partnership under section 13 of this act.
- 11 NEW SECTION. Sec. 40. A new section is added to chapter 43.155 12 RCW to read as follows:

In developing a priority process for public works projects under 13 RCW 43.155.070, the board shall give preferences only to Puget Sound 14 partners, as defined in RCW 90.71.010, over other entities that are 15 16 eligible to be designated as Puget Sound partners under chapter 90.71 17 RCW. Entities that are not eligible to be a Puget Sound partner, due to geographic location, composition, exclusion from the scope of the 18 Puget Sound action agenda developed under section 13 of this act, or 19 20 for any other reason, shall not be given less preferential treatment 21 than Puget Sound partners.

- 22 Sec. 41. RCW 70.146.070 and 1999 c 164 s 603 are each amended to 23 read as follows:
- (1) When making grants or loans for water pollution control 24 25 facilities, the department shall consider the following:
 - (a) The protection of water quality and public health;
- (b) The cost to residential ratepayers if they had to finance water 27 pollution control facilities without state assistance; 28
- 29 (c) Actions required under federal and state permits and compliance 30 orders;
- (d) The level of local fiscal effort by residential ratepayers 31 since 1972 in financing water pollution control facilities; 32
- (e) Except as otherwise conditioned by section 40 of this act, 33 34 whether the entity receiving assistance is designated as a Puget Sound 35 partner, as defined in RCW 90.71.010;

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- (f) Whether the project is included in the action agenda adopted by the Puget Sound partnership under section 13 of this act;
 - (g) The extent to which the applicant county or city, or if the applicant is another public body, the extent to which the county or city in which the applicant public body is located, has established programs to mitigate nonpoint pollution of the surface or subterranean water sought to be protected by the water pollution control facility named in the application for state assistance; and
 - $((\frac{f}))$ (h) The recommendations of the Puget Sound $(\frac{action\ team}{act})$ partnership created in section 3 of this act and any other board, council, commission, or group established by the legislature or a state agency to study water pollution control issues in the state.
 - (2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 may not receive a grant or loan for water pollution control facilities unless it has adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving a grant or loan under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 which has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 is not prohibited from receiving a grant or loan under this chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before submitting a request for a grant or loan.
 - (3) Whenever the department is considering awarding grants or loans for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, it shall consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.
- (4) After January 1, 2010, any project designed to address the effects of water pollution on Puget Sound may be funded under this

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- chapter only if the project is not in conflict with the action agenda 1
- 2 adopted by the Puget Sound partnership under section 13 of this act.
- NEW SECTION. Sec. 42. A new section is added to chapter 70.146 3 4 RCW to read as follows:
- When making grants or loans for water pollution control facilities 5 6 under RCW 70.146.070, the department shall give preference only to Puget Sound partners in comparison to other entities that are eligible
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to be designated as Puget Sound partners under chapter 90.71 RCW.

- Entities that are not eligible to be a Puget Sound partner, due to 9
- geographic location, composition, exclusion from the scope of the Puget 10
- 11 Sound action agenda developed under section 13 of this act, or for any
- other reason, shall not be given less preferential treatment than Puget 12
- 13 Sound partners.

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- 14 Sec. 43. RCW 89.08.520 and 2001 c 227 s 3 are each amended to read 15 as follows:
- (1) In administering grant programs to improve water quality and 16 protect habitat, the commission shall $\underline{:}$ 17
- 18 (a) Require grant recipients to incorporate the environmental 19 benefits of the project into their grant applications $((-))_{\underline{i}}$ and ((the20 commission shall utilize))
- (b) In its grant prioritization and selection process, consider: 21
- 22 (i) The statement of environmental ((benefit[s] in its grant 23 prioritization and selection process.)) benefits;
- (ii) Whether, except as conditioned by section 44 of this act, the 24 25 applicant is designated as a Puget Sound partner, as defined in RCW 90.71.010; and 26
- (iii) Whether the project is included in the action agenda adopted 27 by the Puget Sound partnership under section 13 of this act. 28
- 29 (2)(a) The commission shall also develop appropriate outcome-30 focused performance measures to be used both for management and performance assessment of the grant program. 31
- (b) The commission shall work with the districts to develop uniform 32 performance measures across participating districts $((\cdot))$ and to the 33 34 extent possible, the commission should coordinate its performance 35 measure system with other natural resource-related agencies as defined

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- 1 in RCW 43.41.270. The commission shall consult with affected interest
- 2 groups in implementing this section.
- 3 <u>NEW SECTION.</u> **Sec. 44.** A new section is added to chapter 89.08 RCW 4 to read as follows:
- When administering water quality and habitat protection grants 5 6 under this chapter, the commission shall give preference only to Puget 7 Sound partners in comparison to other entities that are eligible to be 8 designated as Puget Sound partners under chapter 90.71 RCW. that are not eligible to be a Puget Sound partner, due to geographic 9 location, composition, exclusion from the scope of the Puget Sound 10 action agenda developed under section 13 of this act, or for any other 11 reason, shall not be given less preferential treatment than Puget Sound 12 13 partners.
- 14 **Sec. 45.** RCW 70.105D.070 and 2005 c 488 s 926 are each amended to read as follows:
 - (1) The state toxics control account and the local toxics control account are hereby created in the state treasury.
 - (2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:
- (i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;
- (ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;
- 34 (iii) The hazardous waste cleanup program required under this 35 chapter;
- 36 (iv) State matching funds required under the federal cleanup law;

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- 1 (v) Financial assistance for local programs in accordance with 2 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
- 3 (vi) State government programs for the safe reduction, recycling, 4 or disposal of hazardous wastes from households, small businesses, and 5 agriculture;
 - (vii) Hazardous materials emergency response training;
- 7 (viii) Water and environmental health protection and monitoring 8 programs;
 - (ix) Programs authorized under chapter 70.146 RCW;
- 10 (x) A public participation program, including regional citizen 11 advisory committees;
- (xi) Public funding to assist potentially liable persons to pay for 12 13 the costs of remedial action in compliance with cleanup standards under 14 RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 15 70.105D.040(4) and when the director has found that the funding will 16 17 achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of 18 unfair economic hardship; and 19
- 20 (xii) Development and demonstration of alternative management 21 technologies designed to carry out the top two hazardous waste 22 management priorities of RCW 70.105.150.
 - (3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.
 - (a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority:
 - (i) Remedial actions;

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- (ii) <u>H</u>azardous waste plans and programs under chapter 70.105 RCW;
- 32 (iii) Solid waste plans and programs under chapters 70.95, 70.95C, 33 70.95I, and 70.105 RCW;
- (iv) <u>Funds</u> for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and

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- (v) Cleanup and disposal of hazardous substances from abandoned or derelict vessels, defined for the purposes of this section as vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel, that pose a threat to human health or the environment. ((For purposes of this subsection (3)(a)(v), "abandoned or derelict vessels" means vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel.))
- (b) Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that is designated as a Puget Sound partner, as defined in RCW 90.71.010, along with any project that is included in the action agenda adopted by the Puget Sound partnership under section 13 of this act, shall, except as conditioned by section 46 of this act, receive priority for any available funding for any grant or funding programs or sources that use a competitive bidding process. ((During the 1999-2001 fiscal biennium, moneys in the account may also be used for the following activities: Conducting a study of whether dioxins occur in fertilizers, soil amendments, and soils; reviewing applications for registration of fertilizers; and conducting a study of plant uptake of metals. During the 2005-2007 fiscal biennium, the legislature may transfer from the local toxics control account to the state toxics control account such amounts as specified in the omnibus capital budget bill. During the 2005-2007 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.
- (b))) (c) Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.
- (4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.
- 37 (5) One percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public

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participation grants to persons who may be adversely affected by a 1 2 release or threatened release of a hazardous substance and to not-forprofit public interest organizations. The primary purpose of these 3 grants is to facilitate the participation by persons and organizations 4 5 in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and 6 7 hazardous waste management priorities. However, during the 1999-2001 fiscal biennium, funding may not be granted to entities engaged in 8 9 lobbying activities, and applicants may not be awarded grants if their cumulative grant awards under this section exceed two hundred thousand 10 No grant may exceed sixty thousand dollars. Grants may be 11 renewed annually. Moneys appropriated for public participation from 12 13 either account which are not expended at the close of any biennium 14 shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation, or, after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are not in conflict with the action agenda adopted by the Puget Sound partnership under section 13 of this act.

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- 22 (7) The department shall adopt rules for grant or loan issuance and performance.
 - ((8) During the 2005-2007 fiscal biennium, the legislature may transfer from the state toxics control account to the water quality account such amounts as reflect the excess fund balance of the fund.))
- NEW SECTION. Sec. 46. A new section is added to chapter 70.105D RCW to read as follows:

When administering funds under this chapter, the department shall give preference only to Puget Sound partners in comparison to other entities that are eligible to be designated as Puget Sound partners under chapter 90.71 RCW. Entities that are not eligible to be a Puget Sound partner, due to geographic location, composition, exclusion from the scope of the Puget Sound action agenda developed under section 13 of this act, or for any other reason, shall not be given less preferential treatment than Puget Sound partners.

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- - (1) After deduction for management costs as provided in RCW 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys received by the state from the sale or lease of state-owned aquatic lands and from the sale of valuable material from state-owned aquatic lands shall be deposited in the aquatic lands enhancement account which is hereby created in the state treasury. After appropriation, these funds shall be used solely for aquatic lands enhancement projects; for the purchase, improvement, or protection of aquatic lands for public purposes; for providing and improving access to the lands; and for volunteer cooperative fish and game projects.
 - (2) In providing grants for aquatic lands enhancement projects, the ((department)) interagency committee for outdoor recreation shall:
 - (a) Require grant recipients to incorporate the environmental benefits of the project into their grant applications((, and the department shall));
 - (b) Utilize the statement of environmental benefits, consideration, except as provided in section 48 of this act, of whether the applicant is designated as a Puget Sound partner, as defined in RCW 90.71.010, and whether a project is included in the action agenda adopted by the Puget Sound partnership under section 13 of this act, in its prioritization and selection process((. The department shall also)); and
 - (c) Develop appropriate outcome-focused performance measures to be used both for management and performance assessment of the grants.
 - (3) To the extent possible, the department should coordinate its performance measure system with other natural resource-related agencies as defined in RCW 43.41.270.
- 30 <u>(4)</u> The department shall consult with affected interest groups in implementing this section.
- (((3) During the fiscal biennium ending June 30, 2007, the funds
 may be appropriated for boating safety, settlement costs for aquatic
 lands cleanup, and shellfish management, enforcement, and enhancement
 and assistance to local governments for septic system surveys and data
 bases.)) (5) After January 1, 2010, any project designed to address the
 restoration of Puget Sound may be funded under this chapter only if the

- 1 project is not in conflict with the action agenda adopted by the Puget
- 2 <u>Sound partnership under section 13 of this act.</u>

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- NEW SECTION. Sec. 48. A new section is added to chapter 79.105
 RCW to read as follows:
- When administering funds under this chapter, the interagency 5 6 committee for outdoor recreation shall give preference only to Puget 7 Sound partners in comparison to other entities that are eligible to be 8 designated as Puget Sound partners under chapter 90.71 RCW. Entities 9 that are not eligible to be a Puget Sound partner, due to geographic location, composition, exclusion from the scope of the Puget Sound 10 11 action agenda developed under section 13 of this act, or for any other 12 reason, shall not be given less preferential treatment than Puget Sound 13 partners.
- 14 **Sec. 49.** RCW 79A.15.040 and 2005 c 303 s 3 are each amended to 15 read as follows:
 - (1) Moneys appropriated for this chapter to the habitat conservation account shall be distributed in the following way:
- 18 (a) Not less than forty percent through June 30, 2011, at which 19 time the amount shall become forty-five percent, for the acquisition 20 and development of critical habitat;
- 21 (b) Not less than thirty percent for the acquisition and 22 development of natural areas;
 - (c) Not less than twenty percent for the acquisition and development of urban wildlife habitat; and
 - (d) Not less than ten percent through June 30, 2011, at which time the amount shall become five percent, shall be used by the committee to fund restoration and enhancement projects on state lands. Only the department of natural resources and the department of fish and wildlife may apply for these funds to be used on existing habitat and natural area lands.
- 31 (2)(a) In distributing these funds, the committee retains 32 discretion to meet the most pressing needs for critical habitat, 33 natural areas, and urban wildlife habitat, and is not required to meet 34 the percentages described in subsection (1) of this section in any one 35 biennium.

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- 1 (b) If not enough project applications are submitted in a category 2 within the habitat conservation account to meet the percentages 3 described in subsection (1) of this section in any biennium, the 4 committee retains discretion to distribute any remaining funds to the 5 other categories within the account.
 - (3) Only state agencies may apply for acquisition and development funds for natural areas projects under subsection (1) (b) of this section.
- 9 (4) State and local agencies may apply for acquisition and 10 development funds for critical habitat and urban wildlife habitat 11 projects under subsection (1)(a) and (c) of this section.
 - (5)(a) Any lands that have been acquired with grants under this section by the department of fish and wildlife are subject to an amount in lieu of real property taxes and an additional amount for control of noxious weeds as determined by RCW 77.12.203.
- 16 (b) Any lands that have been acquired with grants under this section by the department of natural resources are subject to payments in the amounts required under the provisions of RCW 79.70.130 and 79.71.130.
- 20 (6)(a) Except as otherwise conditioned by section 50 of this act, 21 the committee shall consider the following in determining distribution 22 priority:
- 23 <u>(i) Whether the entity applying for funding is designated as a</u> 24 <u>Puget Sound partner, as that term is defined in RCW 90.71.010; and</u>
 - (ii) Whether the project is included in the action agenda adopted by the Puget Sound partnership under section 13 of this act.
- 27 (7) After January 1, 2010, any project designed to address the 28 restoration of Puget Sound may be funded under this chapter only if the 29 project is not in conflict with the action agenda adopted by the Puget 30 Sound partnership under section 13 of this act.
- NEW SECTION. Sec. 50. A new section is added to chapter 79A.15 RCW to read as follows:
- When administering funds under this chapter, the committee shall give preference only to Puget Sound partners in comparison to other entities that are eligible to be designated as Puget Sound partners under chapter 90.71 RCW. Entities that are not eligible to be a Puget Sound partner, due to geographic location, composition, exclusion from

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- 1 the scope of the Puget Sound action agenda developed under section 13
- 2 of this act, or for any other reason, shall not be given less
- 3 preferential treatment than Puget Sound partners.
- 4 **Sec. 51.** RCW 77.85.130 and 2005 c 309 s 8, 2005 c 271 s 1, and 2005 c 257 s 3 are each reenacted and amended to read as follows:
- 6 (1) The salmon recovery funding board shall develop procedures and 7 criteria for allocation of funds for salmon habitat projects and salmon recovery activities on a statewide basis to address the highest 8 priorities for salmon habitat protection and restoration. 9 extent practicable the board shall adopt an annual allocation of 10 11 funding. The allocation should address both protection and restoration of habitat, and should recognize the varying needs in each area of the 12 state on an equitable basis. The board has the discretion to partially 13 fund, or to fund in phases, salmon habitat projects. The board may 14 annually establish a maximum amount of funding available for any 15 16 individual project, subject to available funding. No projects required 17 solely as a mitigation or a condition of permitting are eligible for funding. 18
 - (2)(a) In evaluating, ranking, and awarding funds for projects and activities the board shall give preference to projects that:
- 21 (i) Are based upon the limiting factors analysis identified under 22 RCW 77.85.060;
 - (ii) Provide a greater benefit to salmon recovery based upon the stock status information contained in the department of fish and wildlife salmonid stock inventory (SASSI), the salmon and steelhead habitat inventory and assessment project (SSHIAP), and any comparable science-based assessment when available;
 - (iii) Will benefit listed species and other fish species;
 - (iv) Will preserve high quality salmonid habitat; ((and))
- (v) Are included in a regional or watershed-based salmon recovery plan that accords the project, action, or area a high priority for funding;
- (vi) Are, except as provided in section 52 of this act, sponsored by an entity that is designated as a Puget Sound partner, as that term
- is defined in RCW 90.71.010; and

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(vii) Are projects included in the action agenda adopted by the Puget Sound partnership under section 13 of this act.

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- 1 (b) In evaluating, ranking, and awarding funds for projects and 2 activities the board shall also give consideration to projects that:
 - (i) Are the most cost-effective;

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- (ii) Have the greatest matched or in-kind funding;
- (iii) Will be implemented by a sponsor with a successful record of project implementation; ((and))
- (iv) Involve members of the veterans conservation corps established in RCW 43.60A.150; and
 - (v) Are part of a regionwide list developed by lead entities.
- (3) The board may reject, but not add, projects from a habitat project list submitted by a lead entity for funding.
- (4) The board shall establish criteria for determining when block grants may be made to a lead entity. The board may provide block grants to the lead entity to implement habitat project lists developed under RCW 77.85.050, subject to available funding. The board shall determine an equitable minimum amount of project funds for each recovery region, and shall distribute the remainder of funds on a competitive basis. The board may also provide block grants to the lead entity or regional recovery organization to assist in carrying out functions described under this chapter. Block grants must be expended consistent with the priorities established for the board in subsection (2) of this section. Lead entities or regional recovery organizations receiving block grants under this subsection shall provide an annual report to the board summarizing how funds were expended for activities consistent with this chapter, including the types of projects funded, project outcomes, monitoring results, and administrative costs.
- (5) The board may waive or modify portions of the allocation procedures and standards adopted under this section in the award of grants or loans to conform to legislative appropriations directing an alternative award procedure or when the funds to be awarded are from federal or other sources requiring other allocation procedures or standards as a condition of the board's receipt of the funds. The board shall develop an integrated process to manage the allocation of funding from federal and state sources to minimize delays in the award of funding while recognizing the differences in state and legislative appropriation timing.
- 37 (6) The board may award a grant or loan for a salmon recovery 38 project on private or public land when the landowner has a legal

obligation under local, state, or federal law to perform the project, when expedited action provides a clear benefit to salmon recovery, and there will be harm to salmon recovery if the project is delayed. For purposes of this subsection, a legal obligation does not include a project required solely as a mitigation or a condition of permitting.

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- (7) Property acquired or improved by a project sponsor may be 6 7 conveyed to a federal agency if: (a) The agency agrees to comply with all terms of the grant or loan to which the project sponsor was 8 9 obligated; or (b) the board approves: (i) Changes in the terms of the grant or loan, and the revision or removal of binding deed of right 10 instruments; and (ii) a memorandum of understanding or similar document 11 ensuring that the facility or property will retain, to the extent 12 feasible, adequate habitat protections; and (c) the appropriate 13 legislative authority of the county or city with jurisdiction over the 14 project area approves the transfer and provides notification to the 15 16 board.
- 17 (8) After January 1, 2010, any project designed to address the
 18 restoration of Puget Sound may be funded under this chapter only if the
 19 project is not in conflict with the action agenda adopted by the Puget
 20 Sound partnership under section 13 of this act.
- NEW SECTION. Sec. 52. A new section is added to chapter 77.85 RCW to read as follows:
 - When administering funds under this chapter, the board shall give preference only to Puget Sound partners in comparison to other entities that are eligible to be designated as Puget Sound partners under chapter 90.71 RCW. Entities that are not eligible to be a Puget Sound partner, due to geographic location, composition, exclusion from the scope of the Puget Sound action agenda developed under section 13 of this act, or for any other reason, shall not be given less preferential treatment than Puget Sound partners.
- 31 **Sec. 53.** RCW 90.88.005 and 2005 c 478 s 1 are each amended to read 32 as follows:
 - (1) The legislature finds that Hood Canal is a precious aquatic resource of our state. The legislature finds that Hood Canal is a rich source of recreation, fishing, aquaculture, and aesthetic enjoyment for the citizens of this state. The legislature also finds that Hood Canal

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- has great cultural significance for the tribes in the Hood Canal area.

 The legislature therefore recognizes Hood Canal's substantial environmental, cultural, economic, recreational, and aesthetic
 - importance in this state.

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- (2) The legislature finds that Hood Canal is a marine water of the 5 state at significant risk. The legislature finds that Hood Canal has 6 7 a "dead zone" related to low-dissolved oxygen concentrations, a condition that has recurred for many years. The legislature also finds 8 that this problem and various contributors to the problem were 9 10 documented in the May 2004 Preliminary Assessment and Corrective Action Plan published by the state agency known as the Puget Sound action team 11 12 and the Hood Canal coordinating council.
 - (3) The legislature further finds that significant research, monitoring, and study efforts are currently occurring regarding Hood Canal's low-dissolved oxygen concentrations. The legislature also finds numerous public, private, and community organizations are working to provide public education and identify potential solutions. The legislature recognizes that, while some information and research is now available and some potential solutions have been identified, more research and analysis is needed to fully develop a program to address Hood Canal's low-dissolved oxygen concentrations.
 - (4) The legislature finds a need exists for the state to take action to address Hood Canal's low-dissolved oxygen concentrations. The legislature also finds establishing an aquatic rehabilitation zone for Hood Canal will serve as a statutory framework for future regulations and programs directed at recovery of this important aquatic resource.
 - (5) The legislature therefore intends to establish an aquatic rehabilitation zone for Hood Canal as the framework to address Hood Canal's low-dissolved oxygen concentrations. The legislature also intends to incorporate provisions in the new statutory chapter creating the designation as solutions are identified regarding this problem.
- 33 **Sec. 54.** RCW 90.88.020 and 2005 c 479 s 2 are each amended to read as follows:
- 35 (1) The development of a program for rehabilitation of Hood Canal 36 is authorized in Jefferson, Kitsap, and Mason counties within the 37 aquatic rehabilitation zone one.

1 (2) The Puget Sound ((action team)) partnership, created in section 2 <u>3 of this act</u>, is designated as the state lead agency for the 3 rehabilitation program authorized in this section.

- (3) The Hood Canal coordinating council is designated as the local management board for the rehabilitation program authorized in this section.
- (4) The Puget Sound ((action team)) partnership and the Hood Canal coordinating council must each approve and must comanage projects under the rehabilitation program authorized in this section.
- **Sec. 55.** RCW 90.88.030 and 2005 c 479 s 3 are each amended to read 11 as follows:
 - (1) The Hood Canal coordinating council shall serve as the local management board for aquatic rehabilitation zone one. The local management board shall coordinate local government efforts with respect to the program authorized according to RCW 90.88.020. In the Hood Canal area, the Hood Canal coordinating council also shall:
 - (a) Serve as the lead entity and the regional recovery organization for the purposes of chapter 77.85 RCW for Hood Canal summer chum; and
 - (b) Assist in coordinating activities under chapter 90.82 RCW.
 - (2) When developing and implementing the program authorized in RCW 90.88.020 and when establishing funding criteria according to subsection (7) of this section, the Puget Sound ((action team)) partnership, created in section 3 of this act, and the local management board shall solicit participation by federal, tribal, state, and local agencies and universities and nonprofit organizations with expertise in areas related to program activities. The local management board may include state and federal agency representatives, or additional persons, as nonvoting management board members or may receive technical assistance and advice from them in other venues. The local management board also may appoint technical advisory committees as needed.
 - (3) The local management board and the Puget Sound ((action team)) partnership shall participate in the development of the program authorized under RCW 90.88.020.
 - (4) The local management board and its participating local and tribal governments shall assess concepts for a regional governance structure and shall submit a report regarding the findings and

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recommendations to the appropriate committees of the legislature by December 1, 2007.

- (5) Any of the local management board's participating counties and tribes, any federal, tribal, state, or local agencies, or any universities or nonprofit organizations may continue individual efforts and activities for rehabilitation of Hood Canal. Nothing in this section limits the authority of units of local government to enter into interlocal agreements under chapter 39.34 RCW or any other provision of law.
- (6) The local management board may not exercise authority over land or water within the individual counties or otherwise preempt the authority of any units of local government.
- (7) The local management board and the Puget Sound ((action team)) partnership each may receive and disburse funding for projects, studies, and activities related to Hood Canal's low-dissolved oxygen concentrations. The Puget Sound ((action team)) partnership and the local management board shall jointly coordinate a process to prioritize projects, studies, and activities for which the Puget Sound ((action team)) partnership receives state funding specifically allocated for Hood Canal corrective actions to implement this section. The local management board and the Puget Sound ((action team)) partnership shall establish criteria for funding these projects, studies, and activities based upon their likely value in addressing and resolving Hood Canal's low-dissolved oxygen concentrations. Final approval for projects under this section requires the consent of both the Puget Sound ((action team)) partnership and the local management board. Projects under this section must be comanaged by the Puget Sound ((action team)) partnership and the local management board. Nothing in this section prohibits any federal, tribal, state, or local agencies, universities, or nonprofit organizations from receiving funding for specific projects that may assist in the rehabilitation of Hood Canal.
- (8) The local management board may hire and fire staff, including an executive director, enter into contracts, accept grants and other moneys, disburse funds, make recommendations to local governments about potential regulations and the development of programs and incentives upon request, pay all necessary expenses, and choose a fiduciary agent.
- (9) The local management board shall report its progress on a quarterly basis to the legislative bodies of the participating counties

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- 1 and tribes and the participating state agencies. The local management
- 2 board also shall submit an annual report describing its efforts and
- 3 successes in implementing the program established according to RCW
- 4 90.88.020 to the appropriate committees of the legislature.
- 5 **Sec. 56.** RCW 90.88.901 and 2005 c 479 s 5 are each amended to read 6 as follows:
- 7 Nothing in chapter 479, Laws of 2005 provides any regulatory
- 8 authority to the Puget Sound ((action team)) partnership, created in
- 9 <u>section 3 of this act</u>, or the Hood Canal coordinating council.
- 10 **Sec. 57.** RCW 90.88.902 and 2005 c 479 s 6 are each amended to read 11 as follows:
- The activities of the Puget Sound ((action team)) partnership,
- 13 <u>created in section 3 of this act</u>, and the Hood Canal coordinating
- 14 council required by chapter 479, Laws of 2005 are subject to the
- 15 availability of amounts appropriated for this specific purpose.
- 16 **Sec. 58.** RCW 90.48.260 and 2003 c 325 s 7 are each amended to read as follows:

The department of ecology is hereby designated as the State Water 18 19 Pollution Control Agency for all purposes of the federal clean water act as it exists on February 4, 1987, and is hereby authorized to 20 21 participate fully in the programs of the act as well as to take all 22 action necessary to secure to the state the benefits and to meet the 23 requirements of that act. With regard to the national estuary program 24 established by section 320 of that act, the department shall exercise its responsibility jointly with the Puget Sound ((water quality 25 authority)) partnership, created in section 3 of this act. 26 27 department of ecology may delegate its authority under this chapter, 28 including its national pollutant discharge elimination permit system 29 authority and duties regarding animal feeding operations and concentrated animal feeding operations, to 30 the department of agriculture through a memorandum of understanding. Until any such 31 delegation receives federal approval, the department of agriculture's 32 adoption or issuance of animal feeding operation and concentrated 33 34 animal feeding operation rules, permits, programs, and directives 35 pertaining to water quality shall be accomplished after reaching

agreement with the director of the department of ecology. Adoption or issuance and implementation shall be accomplished so that compliance with such animal feeding operation and concentrated animal feeding operation rules, permits, programs, and directives will achieve compliance with all federal and state water pollution control laws. The powers granted herein include, among others, and notwithstanding any other provisions of chapter 90.48 RCW or otherwise, the following:

- (1) Complete authority to establish and administer a comprehensive state point source waste discharge or pollution discharge elimination permit program which will enable the department to qualify for full participation in any national waste discharge or pollution discharge elimination permit system and will allow the department to be the sole agency issuing permits required by such national system operating in the state of Washington subject to the provisions of RCW 90.48.262(2). Program elements authorized herein may include, but are not limited to: (a) Effluent treatment and limitation requirements together with timing requirements related thereto; (b) applicable receiving water quality standards requirements; (c) requirements of standards of performance for new sources; (d) pretreatment requirements; (e) termination and modification of permits for cause; (f) requirements for public notices and opportunities for public hearings; (g) appropriate relationships with the secretary of the army in the administration of responsibilities which relate to anchorage and navigation, with the administrator of the environmental protection agency in the performance of his duties, and with other governmental officials under the federal clean water act; (h) requirements for inspection, monitoring, entry, and reporting; (i) enforcement of the program through penalties, emergency powers, and criminal sanctions; (j) a continuing planning process; and (k) user charges.
- (2) The power to establish and administer state programs in a manner which will insure the procurement of moneys, whether in the form of grants, loans, or otherwise; to assist in the construction, operation, and maintenance of various water pollution control facilities and works; and the administering of various state water pollution control management, regulatory, and enforcement programs.
- (3) The power to develop and implement appropriate programs pertaining to continuing planning processes, area-wide waste treatment management plans, and basin planning.

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The governor shall have authority to perform those actions required of him or her by the federal clean water act.

Sec. 59. RCW 79A.60.520 and 1999 c 249 s 1507 are each amended to read as follows:

The commission, in consultation with the departments of ecology, fish and wildlife, natural resources, social and health services, and the Puget Sound ((action team)) partnership shall conduct a literature search and analyze pertinent studies to identify areas which are polluted or environmentally sensitive within the state's waters. Based on this review the commission shall designate appropriate areas as polluted or environmentally sensitive, for the purposes of chapter 393, Laws of 1989 only.

Sec. 60. RCW 79A.60.510 and 1999 c 249 s 1506 are each amended to read as follows:

The legislature finds that the waters of Washington state provide a unique and valuable recreational resource to large and growing numbers of boaters. Proper stewardship of, and respect for, these waters requires that, while enjoying them for their scenic and recreational benefits, boaters must exercise care to assure that such activities do not contribute to the despoliation of these waters, and that watercraft be operated in a safe and responsible manner. The legislature has specifically addressed the topic of access to clean and safe waterways by requiring the 1987 boating safety study and by establishing the Puget Sound ((action team)) partnership.

The legislature finds that there is a need to educate Washington's boating community about safe and responsible actions on our waters and to increase the level and visibility of the enforcement of boating laws. To address the incidence of fatalities and injuries due to recreational boating on our state's waters, local and state efforts directed towards safe boating must be stimulated. To provide for safe waterways and public enjoyment, portions of the watercraft excise tax and boat registration fees should be made available for boating safety and other boating recreation purposes.

In recognition of the need for clean waterways, and in keeping with the Puget Sound ((action team's)) partnership's water quality work plan, the legislature finds that adequate opportunities for responsible

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disposal of boat sewage must be made available. There is hereby established a five-year initiative to install sewage pumpout or sewage dump stations at appropriate marinas.

To assure the use of these sewage facilities, a boater environmental education program must accompany the five-year initiative and continue to educate boaters about boat wastes and aquatic resources.

The legislature also finds that, in light of the increasing numbers of boaters utilizing state waterways, a program to acquire and develop sufficient waterway access facilities for boaters must be undertaken.

To support boating safety, environmental protection and education, and public access to our waterways, the legislature declares that a portion of the income from boating-related activities, as specified in RCW 82.49.030 and 88.02.040, should support these efforts.

Sec. 61. RCW 79.105.500 and 2005 c 155 s 158 are each amended to read as follows:

The legislature finds that the department provides, manages, and monitors aquatic land dredged material disposal sites on state-owned aquatic lands for materials dredged from rivers, harbors, and shipping lanes. These disposal sites are approved through a cooperative planning process by the departments of natural resources and ecology, the United States army corps of engineers, and the United States environmental protection agency in cooperation with the Puget Sound ((action team)) partnership. These disposal sites are essential to the commerce and well-being of the citizens of the state of Washington. Management and environmental monitoring of these sites are necessary to protect environmental quality and to assure appropriate use of state-owned aquatic lands. The creation of an aquatic land dredged material disposal site account is a reasonable means to enable and facilitate proper management and environmental monitoring of these disposal sites.

- Sec. 62. RCW 77.60.130 and 2000 c 149 s 1 are each amended to read as follows:
- 33 (1) The aquatic nuisance species committee is created for the 34 purpose of fostering state, federal, tribal, and private cooperation on 35 aquatic nuisance species issues. The mission of the committee is to 36 minimize the unauthorized or accidental introduction of nonnative

- aquatic species and give special emphasis to preventing the introduction and spread of aquatic nuisance species. The term "aquatic nuisance species" means a nonnative aquatic plant or animal species that threatens the diversity or abundance of native species, the ecological stability of infested waters, or commercial, agricultural, or recreational activities dependent on such waters.
- 7 (2) The committee consists of representatives from each of the following state agencies: Department of fish and wildlife, department 8 9 of ecology, department of agriculture, department of health, department 10 of natural resources, Puget Sound ((water quality action team)) partnership, state patrol, state noxious weed control board, and 11 12 Washington sea grant program. The committee shall encourage and solicit participation by: Federally recognized tribes of Washington, 13 14 federal agencies, Washington conservation organizations, environmental groups, and representatives from industries that may either be affected 15 16 by the introduction of an aquatic nuisance species or that may serve as 17 a pathway for their introduction.
 - (3) The committee has the following duties:

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- (a) Periodically revise the state of Washington aquatic nuisance species management plan, originally published in June 1998;
- (b) Make recommendations to the legislature on statutory provisions for classifying and regulating aquatic nuisance species;
- (c) Recommend to the state noxious weed control board that a plant be classified under the process designated by RCW 17.10.080 as an aquatic noxious weed;
- (d) Coordinate education, research, regulatory authorities, monitoring and control programs, and participate in regional and national efforts regarding aquatic nuisance species;
- (e) Consult with representatives from industries and other activities that may serve as a pathway for the introduction of aquatic nuisance species to develop practical strategies that will minimize the risk of new introductions; and
- (f) Prepare a biennial report to the legislature with the first report due by December 1, 2001, making recommendations for better accomplishing the purposes of this chapter, and listing the accomplishments of this chapter to date.
- (4) The committee shall accomplish its duties through the authority

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- 1 and cooperation of its member agencies. Implementation of all plans
- 2 and programs developed by the committee shall be through the member
- 3 agencies and other cooperating organizations.
- **Sec. 63.** RCW 70.146.070 and 1999 c 164 s 603 are each amended to read as follows:
 - (1) When making grants or loans for water pollution control facilities, the department shall consider the following:
 - (a) The protection of water quality and public health;
- 9 (b) The cost to residential ratepayers if they had to finance water 10 pollution control facilities without state assistance;
 - (c) Actions required under federal and state permits and compliance orders;
 - (d) The level of local fiscal effort by residential ratepayers since 1972 in financing water pollution control facilities;
 - (e) The extent to which the applicant county or city, or if the applicant is another public body, the extent to which the county or city in which the applicant public body is located, has established programs to mitigate nonpoint pollution of the surface or subterranean water sought to be protected by the water pollution control facility named in the application for state assistance; and
 - (f) The recommendations of the Puget Sound ((action team)) partnership, created in section 3 of this act, and any other board, council, commission, or group established by the legislature or a state agency to study water pollution control issues in the state.
 - (2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 may not receive a grant or loan for water pollution control facilities unless it has adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving a grant or loan under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 which has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 is not prohibited from

receiving a grant or loan under this chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before submitting a request for a grant or loan.

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- 4 (3) Whenever the department is considering awarding grants or loans for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, it shall consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.
- 11 **Sec. 64.** RCW 70.118.090 and 1994 c 281 s 6 are each amended to 12 read as follows:
- 13 The department may not use funds appropriated to implement an 14 element of the Puget Sound ((water quality authority plan)) partnership 15 action agenda to conduct any activity required under chapter 281, Laws 16 of 1994.
- 17 **Sec. 65.** RCW 43.21J.030 and 1998 c 245 s 60 are each amended to 18 read as follows:
 - (1) There is created the environmental enhancement and job creation task force within the office of the governor. The purpose of the task force is to provide a coordinated and comprehensive approach to implementation of chapter 516, Laws of 1993. The task force shall consist of the commissioner of public lands, the director of the department of fish and wildlife, the director of the department of ecology, the director of the parks and recreation commission, the timber team coordinator, the executive director of the work force training and education coordinating board, and the executive director of the Puget Sound ((water quality authority)) partnership, or their The task force may seek the advice of the following agencies and organizations: The department of community, trade, and economic development, the conservation commission, the employment security department, the interagency committee for outdoor recreation, appropriate federal agencies, appropriate special districts, the Washington state association of counties, the association of Washington cities, labor organizations, business organizations, timber-dependent communities, environmental organizations, and Indian tribes.

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- governor shall appoint the task force chair. Members of the task force shall serve without additional pay. Participation in the work of the committee by agency members shall be considered in performance of their employment. The governor shall designate staff and administrative support to the task force and shall solicit the participation of agency personnel to assist the task force.
 - (2) The task force shall have the following responsibilities:
 - (a) Soliciting and evaluating, in accordance with the criteria set forth in RCW 43.21J.040, requests for funds from the environmental and forest restoration account and making distributions from the account. The task force shall award funds for projects and training programs it approves and may allocate the funds to state agencies for disbursement and contract administration;
 - (b) Coordinating a process to assist state agencies and local governments to implement effective environmental and forest restoration projects funded under this chapter;
- 17 (c) Considering unemployment profile data provided by the 18 employment security department.
- 19 (3) Beginning July 1, 1994, the task force shall have the following 20 responsibilities:
 - (a) To solicit and evaluate proposals from state and local agencies, private nonprofit organizations, and tribes for environmental and forest restoration projects;
- 24 (b) To rank the proposals based on criteria developed by the task 25 force in accordance with RCW 43.21J.040; and
- (c) To determine funding allocations for projects to be funded from the account created in RCW 43.21J.020 and for projects or programs as designated in the omnibus operating and capital appropriations acts.
- 29 **Sec. 66.** RCW 43.21J.040 and 1993 c 516 s 4 are each amended to 30 read as follows:
- 31 (1) Subject to the limitations of RCW 43.21J.020, the task force 32 shall award funds from the environmental and forest restoration account 33 on a competitive basis. The task force shall evaluate and rate 34 environmental enhancement and restoration project proposals using the 35 following criteria:
- 36 (a) The ability of the project to produce measurable improvements 37 in water and habitat quality;

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(b) The cost-effectiveness of the project based on: (i) Projected costs and benefits of the project; (ii) past costs and environmental benefits of similar projects; and (iii) the ability of the project to achieve cost efficiencies through its design to meet multiple policy objectives;

- (c) The inclusion of the project as a high priority in a federal, state, tribal, or local government plan relating to environmental or forest restoration, including but not limited to a local watershed action plan, storm water management plan, capital facility plan, growth management plan, or a flood control plan; or the ranking of the project by conservation districts as a high priority for water quality and habitat improvements;
- 13 (d) The number of jobs to be created by the project for dislocated 14 forest products workers, high-risk youth, and residents of impact 15 areas;
 - (e) Participation in the project by environmental businesses to provide training, cosponsor projects, and employ or jointly employ project participants;
 - (f) The ease with which the project can be administered from the community the project serves;
 - (g) The extent to which the project will either augment existing efforts by organizations and governmental entities involved in environmental and forest restoration in the community or receive matching funds, resources, or in-kind contributions; and
 - (h) The capacity of the project to produce jobs and job-related training that will pay market rate wages and impart marketable skills to workers hired under this chapter.
 - (2) The following types of projects and programs shall be given top priority in the first fiscal year after July 1, 1993:
 - (a) Projects that are highly ranked in and implement adopted or approved watershed action plans, such as those developed pursuant to rules adopted by the agency then known as the Puget Sound water quality authority ((rules adopted)) for local planning and management of nonpoint source pollution;
- 35 (b) Conservation district projects that provide water quality and habitat improvements;
- 37 (c) Indian tribe projects that provide water quality and habitat 38 improvements; or

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- 1 (d) Projects that implement actions approved by a shellfish 2 protection district under chapter 100, Laws of 1992.
 - (3) Funds shall not be awarded for the following activities:
 - (a) Administrative rule making;
- 5 (b) Planning; or

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- 6 (c) Public education.
- 7 **Sec. 67.** RCW 28B.30.632 and 1990 c 289 s 2 are each amended to 8 read as follows:
 - (1) The sea grant and cooperative extension shall jointly administer a program to provide field agents to work with local governments, property owners, and the general public to increase the propagation of shellfish, and to address Puget Sound water quality problems within Kitsap, Mason, and Jefferson counties that may limit shellfish propagation potential. The sea grant and cooperative extension shall each make available the services of no less than two agents within these counties for the purposes of this section.
 - (2) The responsibilities of the field agents shall include but not be limited to the following:
 - (a) Provide technical assistance to property owners, marine industry owners and operators, and others, regarding methods and practices to address nonpoint and point sources of pollution of Puget Sound;
 - (b) Provide technical assistance to address water quality problems limiting opportunities for enhancing the recreational harvest of shellfish;
 - (c) Provide technical assistance in the management and increased production of shellfish to facility operators or to those interested in establishing an operation;
- 29 (d) Assist local governments to develop and implement education and 30 public involvement activities related to Puget Sound water quality;
- 31 (e) Assist in coordinating local water quality programs with 32 region-wide and statewide programs;
- 33 (f) Provide information and assistance to local watershed 34 committees.
- 35 (3) The sea grant and cooperative extension shall mutually 36 coordinate their field agent activities to avoid duplicative efforts 37 and to ensure that the full range of responsibilities under RCW

- 28B.30.632 through 28B.30.636 are carried out. They shall consult with 1
- 2 the Puget Sound ((water quality authority)) partnership, created in
- section 3 of this act, and ensure consistency with ((the authority's)) 3
- any of the Puget Sound partnership's water quality management plans. 4
- 5 (4) Recognizing the special expertise of both agencies, the sea grant and cooperative extension shall cooperate to divide their 6 7 activities as follows:
- (a) Sea grant shall have primary responsibility to address water 8 9 quality issues related to activities within Puget Sound, and to provide assistance regarding the management and improvement of shellfish 10 11 production; and
- (b) Cooperative extension shall have primary responsibility to 12 13 address upland and freshwater activities affecting Puget Sound water 14 quality and associated watersheds.
- 15 <u>NEW SECTION.</u> **Sec. 68.** RCW 90.71.902 and 90.71.903 are each 16 decodified.
- 17 NEW SECTION. Sec. 69. RCW 90.71.100 is recodified as a new 18 section in chapter 70.118 RCW.
- 19 <u>NEW SECTION.</u> Sec. 70. The following acts or parts of acts are 20 each repealed:
- 21 (1) RCW 90.71.005 (Findings) and 1998 c 246 s 13 & 1996 c 138 s 1;

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- (2) RCW 90.71.015 (Environmental excellence program agreements-Effect on chapter) and 1997 c 381 s 30; 23
- 24 (3) RCW 90.71.020 (Puget Sound action team) and 1998 c 246 s 14 & 1996 c 138 s 3; 25
- (4) RCW 90.71.030 (Puget Sound council) and 1999 c 241 s 3 & 1996 26 27 c 138 s 4;
 - (5) RCW 90.71.040 (Chair of action team) and 1996 c 138 s 5;
- 29 (6) RCW 90.71.050 (Work plans) and 1998 c 246 s 15 & 1996 c 138 s 6; 30
- (7) RCW 90.71.070 (Work plan implementation) and 1996 c 138 s 8; 31
- (8) RCW 90.71.080 (Public participation) and 1996 c 138 s 9; 32
- (9) RCW 90.71.900 (Short title--1996 c 138) and 1996 c 138 s 15; 33 34 and
- 35 (10) RCW 90.71.901 (Captions not law) and 1996 c 138 s 14.

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- NEW SECTION. Sec. 71. ONE-TIME RESPONSIBILITIES. (1) The following one-time reports, studies, and actions must be completed as assigned in this section:
 - (a) By October 1, 2007, the initial appointments to the board must be completed, as provided in section 7 of this act.
 - (b) By November 1, 2007, the committee shall be established, as provided in section 9 of this act.
 - (c) By November 15, 2008, the council shall complete its first review of its governmental and organizational effectiveness, as provided in section 5 of this act.
 - (d) By April 15, 2008, the committee shall recommend to the council suggested environmental indicators and time-bound benchmarks to meet the goal of recovering Puget Sound by the year 2020.
- 14 (e) By September 1, 2008, the council shall adopt the initial action agenda.
 - (f) By September 20, 2008, the partnership shall develop and submit to the legislature recommendations to enhance and phase-in local government accountability measures, consistent with section 26 of this act.
 - (g) By September 2008, the coordination board shall advise the council and the executive director on how to incorporate local plans and projects into a Sound-wide set of activities that can be incorporated into the action agenda. The board shall also recommend priorities for local activities based on their contribution to Puget Sound health. During the development of the priorities, the board shall hold public meetings in various parts of Puget Sound to solicit public comments.
 - (2) The definitions in RCW 90.71.010 apply to this section.
- NEW SECTION. Sec. 72. Sections 3 through 24 and 26 through 31 of this act are each added to chapter 90.71 RCW.

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